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Integrated and coordinated implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic, social and related fields

Eradication of poverty and other development issues

Operational activities for development

Social development

Letter dated 30 January 2012 from the Permanent Representative of Kazakhstan to the United Nations addressed to the Secretary-General

I have the honour to submit to you herewith the text of the annual address of the President of the Republic of Kazakhstan, Mr. Nursultan Nazarbayev, to the people of Kazakhstan, entitled "Socio-economic modernization as the main vector of the development of Kazakhstan", delivered in Astana on 27 January 2012 at the joint session of the Parliament of the Republic of Kazakhstan (see annex).

I should be grateful if the text of the present letter and its annex could be issued as a document of the sixty-sixth session of the General Assembly, under agenda items 14, 23, 24 and 27.

(*Signed*) Byrganym **Aitimova**
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Permanent Representative

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Annex to the letter dated 30 January 2012 from the Permanent Representative of Kazakhstan to the United Nations addressed to the Secretary-General

Socio-economic modernization as the main vector of the development of Kazakhstan: address by the President of the Republic of Kazakhstan, Nursultan Nazarbayev, to the people of Kazakhstan

27 January 2012

Kazakhstan has bravely entered the third decade of independence.

The new Parliament and reshuffled Government have begun their work.

In 2011, the country's economy grew by 7.5 per cent.

Gross domestic product per capita exceeded 11,000 United States dollars.

A substantial portion of previously sold assets has been returned to State ownership.

Now, key assets of the "Bogatyr", Karachaganak, Kashagan fields, ENRC and "Kazakhmys" companies will be in State possession.

In the past, I said, "We sell according to the situation, and now it is time to privatize, but we will return it at the appropriate time."

Therefore, it is now being returned. The oversight of shares is in the hands of the Government of Kazakhstan. Now we will manage everything by ourselves.

The people of Kazakhstan have become united, mature and strong.

However, we are living in a complicated time full of difficulties and contradictions.

You can see that the predicted global crisis has become a reality.

According to the experts, the new world crisis may last for five to six years.

Our concern is to prepare the economy for this challenge and continue its diversification.

We are a State that strives to join the ranks of the high-income countries by 2015.

We will achieve this goal maintaining unity and working with the same dedication.

The next stage of Kazakhstan's development calls for new measures to strengthen the economy and improve the people's welfare.

It is vital for Kazakhstan to find the optimal balance between economic success and providing public benefits.

This is a fundamental issue of socio-economic modernization in the modern world.

This is the main vector of Kazakhstan's development in the next decade.

I dedicate my new address to the people of the country to this important subject.

We need to implement a set of tasks in 10 areas.

First: employment in Kazakhstan

I have instructed the Government to approve a radically new employment programme.

It sets three important tasks.

The first is to create an effective system of training and employment assistance.

The second is to promote entrepreneurship in rural areas.

The third is to increase the mobility of human resources and to prioritize employment in the centres of economic activity in Kazakhstan.

In 2011, the programme was tested in a pilot mode, with the participation of almost 60,000 people.

All the preparatory work and the legal framework have been completed.

Now we must move on to the implementation of this important programme.

I instruct the Government and Akims to begin the large-scale implementation of this programme starting this year.

It is also about providing microcredit to those who work in the countryside. These people, who want to work in a city, must be trained and employed at the expense of the State. By the end of the programme in 2020, we must therefore provide qualitative jobs for 1.5 million people.

Second: affordable housing

We have begun to implement the programme of new housing construction.

Every year, 6 million square metres of housing are put into service.

However, we must also provide housing to more than half a million young families.

For this purpose, we should bring rental housing space up to 1 million square metres.

We also should explore the two concepts of long-term leasing and buying.

Those who have funds and the opportunity can buy a house in the future.

And those who have no such opportunity can take a house for a long-term lease. We should consider these two options.

In addition, the lease payments should be in line with the resources of an average-income family.

However, new opportunities will arise for housing construction.

As you remember, during the last crisis we increased housing construction across Kazakhstan, creating new jobs and providing many opportunities for business.

As before, the relevant funds will be allocated to the oblasts.

Housing will be constructed and leased.

All of this should be clearly shown in the "Affordable Housing" programme.

The State will supply this programme with appropriate funds.

I instruct the Government to prepare and adopt the relevant document by no later than 1 July this year.

Third: development of the regions

A prosperous Kazakhstan means, first and foremost, strong regions.

The future of the country is connected with the development of the promising sectors of the economy.

For this purpose, we must construct new factories, create new jobs and rapidly develop social infrastructure.

At present, many countries around the world are taking such actions.

A State must help its citizens move to promising areas.

Kazakhstan's agglomeration of cities with a bright future includes Astana, Almaty, Aktobe, Aktau and Shymkent.

The Government must adopt a development programme for the agglomeration of settlements.

The development of towns relying on one enterprise or sector is a separate issue.

The situation in Zhanaozen has shown that one-industry towns are prone to social risks.

The Government had to declare a state of emergency in Zhanaozen and take comprehensive measures to stabilize the situation in the town.

At present, the situation there has returned to normal.

In the Majilis election, the majority of Zhanaozen citizens voted for the Nur Otan party.

This indicates their full support for the State's policies.

Therefore, I have decided that the state of emergency in Zhanaozen will not be extended any further.

However, we must draw the appropriate conclusions from this situation, learn from it and always take it into account.

I instruct the Government to develop a special programme on the development of single-industry towns.

It must include the diversification of every specific aspect of a town's economy and social development.

In addition, great attention should be given to support for local small and medium-sized enterprises.

It is important to improve local self-government and increase the participation of citizens in considering issues of local development.

The Government must develop a concept on the development of local self-government before 1 July this year.

Fourth: improvement in the quality of public services

This is an important aspect of combating corruption and improving public confidence in the activities of State bodies.

First, it is necessary to develop an e-government.

By the end of 2012, 60 per cent of socially relevant public services, including all types of licences, should be granted only in electronic form.

In addition, by 2013 the people of Kazakhstan should receive all permits from the State in electronic form or through the Population Service Centres.

The Population Service Centres should be also entrusted with the registration of vehicles and the issuance of driver's licences.

Second, an important aspect of modernization is the simplification of administrative procedures.

In accordance with my instructions, the list of permits has already been reduced by 30 per cent.

The Government has prepared a draft law which will further reduce all types of licences and permits by one third.

The next step is the introduction of new principles for enabling legislation.

Third, it is necessary to increase the computer literacy of the population, including through various incentive programmes.

I urge the people of Kazakhstan to actively master information technologies.

Fifth: the twenty-first century imposes high requirements for the management of a modern State, which is more complicated

Our most important task is to train a skilled political class of executives.

I instruct the Government and the presidential Administration to prepare proposals on candidates for the presidential reserve of personnel before the end of the first half of 2012.

A special commission will select candidates according to the criteria of education and professionalism, high moral qualities, creativity and successful work in assigned office.

They will have a salary comparable to that of business entities according to the dynamics of the economic development of the country.

They will form the basis of a new managerial elite which is to worthily lead Kazakhstan in the twenty-first century.

Sixth: modernization of the judiciary and law enforcement systems

Judges must administer justice guided only by the law and their conscience.

It is necessary to radically revise the procedure for the formation of the judiciary.

We need to legally limit the possibility of unfounded decisions by courts of appeal on the return of cases to lower courts for new investigation.

The entire judicial system, starting with the Supreme Court, is required to increase responsibilities and qualifications, and to begin improving their work at their own discretion.

Any violation of law by judges will be treated as an emergency and should be brought to the public's attention.

We should strengthen the system of arbitration and tribunal courts.

It is required that the development of the new Criminal Procedure Code and the draft law on private detective activity be completed this year.

An important issue concerns the qualitative approach to personnel replacement in law enforcement and special agencies.

I set the task of the recertification of their personnel by 1 July 2012.

Only after that should we consider an increase in wages and the extension of a social support package for law enforcement personnel, as well as a technical provision.

I believe that, in order to strengthen the fight against transnational organized crime in the Common Economic Space (CES), it is high time to create EURASPOL, a Eurasian police force, comparable to the International Criminal Police Organization (INTERPOL).

I instruct the Government to develop and submit relevant proposals to our partners in the CES.

One of the important aspects of modernization is the vigorous fight against corruption.

Our actions along this line have significantly reduced the level of corruption in the Government. This has been noted by international experts.

However, we need to develop a new strategy to combat corruption.

Not only is it necessary to detect corrupt officials and bring them to trial; we must also use new legal tools and information capabilities and promote greater involvement by society in order to prevent corruption offences.

It is necessary to explore and draw on the experience of other countries. Public servants should be required to declare both their income and their expenses.

It is necessary to adopt a law on this issue.

I instruct the Government to prepare and submit a comprehensive anti-corruption programme within three months.

Seventh: qualitative growth of human capital in Kazakhstan

This means, above all, education and health care.

During the modernization of the education system, it is important to take the following measures.

First, it is necessary to introduce advanced techniques and technologies into the education process.

Today, Nazarbayev University and the intellectual schools are functioning successfully in keeping with international standards.

A network of advanced institutions of vocational education is under development.

It is necessary to disseminate their experience across the whole education system in Kazakhstan and to bring all educational institutions up to their level.

Second, it is important to improve the quality of pedagogic staff.

It is necessary to strengthen the standards of basic pedagogic education and the requirements for the professional development of teachers in schools and universities.

Each region must have operating integrated centres for the professional development of teachers.

Third, we need to create an independent system for the verification of qualifications.

The State should not provide educational services and at the same time assess their quality.

After finishing medical school, a graduate is not yet a doctor. After completing studies at a polytechnic university, a graduate is not yet an engineer. A graduate will have to prove that he or she is an expert. This is the case in the whole world.

I task the Government with establishing, this year, a number of independent centres, on the basis of branch associations, for proficiency testing in one or two areas in a pilot mode.

Fourth, there is a need to expand access to education for youth through the mechanisms of public-private partnerships, travel and accommodation subsidies for youth from rural areas and lower-income families, and the development of a network of hostels.

Providing opportunities for young workers to obtain special education while remaining in employment is an important issue.

Today, many people migrate from rural to urban areas. It is difficult for them to find a job. Every young person should be able to acquire a profession and education while remaining in employment. The Ministry of Education should elaborate on this issue.

Fifth, education should provide young people not only with knowledge, but also with the ability to use it in the process of social adaptation.

I task the Government with adopting a five-year national action plan for the development of the functional literacy of students.

Sixth, it is important to strengthen the educational component of the educational process.

Patriotism, morality and ethics, inter-ethnic harmony and tolerance, physical and spiritual development, and respect for the law are values that should be instilled in all educational institutions, regardless of the form of ownership.

Multinationality and multilingualism are parts of these values and are among the main assets of our country. According to our Constitution, Kazakh is the State language. The Russian language is officially used in State bodies along with Kazakh.

These are norms of our Constitution that cannot be violated.

The planned development of the Kazakh language will not be harmful to the Russian language.

What do we need for the State's development and future? The State's foreign policy priority must be friendly relations with neighbours. Without it, the country's future will be vague. Kazakh, our State language, is growing and developing. By 2020, the number of people who have mastered the State language will reach 95 per cent.

A tendency towards teaching in Kazakh is present in all of the schools and educational institutions of the country. Deputies and Government workers should contribute to all of this. The problem must be solved this way.

I task the Government with developing a comprehensive plan to ensure that these values are instilled in youth at all educational institutions.

We do not even have the books or teachers to work with youth on these issues.

This is vital for our youth.

Developing the availability and quality of medical services, and the promotion of healthful lifestyles, are other important aspects of improving human potential.

The State programme "Salamatty Kazakhstan — 2015" is under implementation.

The health-care system is qualitatively evolving. We have achieved positive trends in terms of our nation's health.

The birth rate and life expectancy have increased.

The mortality rate from cardiovascular diseases has been reduced 1.7-fold.

We are systematically working to address this issue. Operations on the cardiovascular system are being carried out not only in Astana, but in almost all regions of Kazakhstan.

Advanced diagnostic and treatment centres, and dozens of centres specializing in the core disciplines of medicine as well as pioneering areas, have been

established in the country; mobile clinics and medical provision are developing. We use medical trains, vehicles and aviation.

The hospital of the future in Astana will be the engine of the modernization of Kazakhstan's health-care system.

The issue of reducing morbidity and mortality from cancer now comes to the fore.

I task the Government with developing a programme for the development of cancer care facilities in Kazakhstan within two months, as we did with respect to cardiovascular disease.

The establishment of a powerful national scientific cancer centre in Astana based on National Medical Holding should be also worked out.

Before 1 July this year, the Government should submit proposals on the development of the health-care system with respect to the implementation of the mechanisms for joint liability of citizens.

The people must understand that it is not beneficial for them to be ill. We have free health care, but the future lies in health insurance, as now seen in pension funds. Each individual bears responsibility, along with his employer and the State. The worse a man's health is, the less insurance coverage he will receive; the better his health, the greater his coverage. Now people choose those hospitals where medical service is better. Let us say, they have decided on this issue, but they now need to move forward.

I instruct Akims to address the issue of expanding access to sports facilities in order to encourage large-scale participation in physical education and sport.

A number of sports facilities have been built in recent years, both in Astana and in the oblasts. Some people complain that neither their children nor they can get to them. All these sports facilities must be accessible to the public. Let people participate in sport.

Eighth: improvement in the pension system

Kazakhstan was the first among the former Soviet countries to successfully implement a savings system.

The number of depositors is 8 million.

The amount of savings exceeds 17 billion United States dollars.

However, at the same time, the depositors are not able to influence the investment policy of the pension funds.

That is why people regard pension contributions as a burden.

The authorities of certain pension funds manage them as if they were their own, and serve the interests of the shareholders, sometimes covering their expenses.

The Government and the National Bank should elaborate appropriate proposals for improving the pension system by the end of the first half of the year.

Ninth: industrial innovation projects

The social importance of the projects aimed at innovative industrial development is critical.

This programme remains the benchmark for economic modernization.

All State bodies should consider the work being done in this area as their overriding concern.

Last year alone, 288 projects were launched, amounting to more than 970 billion tenge.

As a result, 30,000 permanent jobs were provided.

We continue to create and develop leading clusters of our economy. The pace of these activities should not decrease.

I instruct the Government to set aside the required funds for developing the infrastructure of innovative clusters.

Today, I would like to announce the launch of new large-scale projects for the processing of our natural resources and the infrastructure which will provide such processing.

First, I instruct the Government to ensure that construction begins this year on the first module of the Balkhash thermal power station, with a capacity of 1,320 MW and worth 2.3 billion United States, in order to solve the problem of the energy shortages and energy dependency of the southern regions. This is very important. The thriving southern region has a shortage of electricity. We should not depend on anybody. This issue will decide much. All issues relating to the Balkhash thermal power station have been resolved. We should move forward and begin the work.

The completion of the Kazakhstan section of the international motor road corridor "Western Europe-Western China" is very important. It is truly the construction project of the century. Where else has 2,700 km of quality motor road been built in three years? We need to finish the job next year.

It is important to begin the construction of two new rail lines: Zhezkazgan-Beyneu (1,200 km) and Arkalyk-Shubarkol.

These projects will provide major development to the Zhezkazgan-Arkalyk region.

Second, I instruct the Government to continue the project on the production of complex mineral fertilizers in Zhambyl oblast, which is worth around 2 billion United States dollars. These fertilizers are necessary for agriculture. The project will provide an opportunity to strengthen the economy of Zhambyl oblast and the southern region as a whole.

Third, it is necessary to establish a complex for deep refining at the Atyrau refinery, priced at 1.7 billion United States dollars, which will increase the production of petrol by almost three times, to 1.7 million tons, increase the production of diesel fuel to 1.4 million tons, and provide these fuels to Kazakhstan.

Fourth, we need to ensure the growth of the project capacity of the Atyrau gas and chemical complex, worth $6.3 billion, expecting the production of 500,000 tons

of propylene and 800,000 tons of polyethylene annually. We have never produced such products in Kazakhstan.

Fifth, it is necessary to complete the project design and begin the construction of a gas processing plant on the Karachaganak field with a capacity of 5 billion cubic metres per year.

Sixth, I instruct the Government to plan and launch a pipeline system that will provide a gas supply in the central region of the country, including its capital.

This is capital-intensive and important work. We must do it to eliminate dependence on natural gas. Kazakhstan is a country producing oil and gas. We are obliged to provide gas for our country. While the investment issues regarding the majority of these projects are settled, the rest must be addressed.

I am submitting a proposal to the Government and Parliament to revise the budget to allocate the necessary funds for implementing the above-mentioned projects.

We will have to borrow loans from the National Fund for the implementation of the projects. This is right, I think. We will invest in our own economy rather than keep money in foreign banks.

All these projects would dramatically change the makeup of our economy and our country. All of the initiatives mentioned above will be our response to possible crises in the world.

We will transform all of Kazakhstan into a giant construction site and create tens of thousands of jobs.

The construction, metallurgical and manufacturing industries will be developing around the construction of housing and large enterprises. Numerous opportunities are being created for aspiring young businesspeople. They should not miss this chance.

With a view to controlling expenses, I instruct the Government to establish a special commission similar to the one that carried out its work clearly and effectively during the 2008-2009 crises and proved its effectiveness.

I emphasize that we will launch all of these projects later this year.

The Government needs to strengthen Kazakhstan's innovation system.

It is important to increase budget spending to fund promising research through the provision of grants to encourage innovation.

The new law on science lays the foundation for systematic State support for science.

It is needed to support our scientists.

An innovative and intelligent cluster must be formed around Nazarbayev University, promoting the transfer and development of new technologies.

By creating high-tech enterprises in Astana, we will extend this experience to other scientific and educational centres in Kazakhstan. We have the legislative base.

At my instructions, a new law on State support for industrial innovation activity was adopted.

On this basis, we need to increase the innovative potential of the interaction among Government, business and science.

I instruct the Government to develop a bill introducing new forms of public and private partnership.

One of the important challenges facing our current development is the need to diversify the flow of foreign direct investment in Kazakhstan's economy.

Such investment should be directed towards prospective industries such as tourism.

In developed countries tourism clusters contribute up to 10 per cent of gross domestic product.

We have less than 1 per cent.

We must examine the places throughout our country experiencing growth in tourism; there are many of them.

An important project in this regard is the development of world-class ski resorts near Almaty.

Experts believe that a tourist who goes to a ski resort spends six times more than if he goes to the sea. Our country may turn this into a great advantage.

I instruct the Government to elaborate a comprehensive plan for the development of this unique area, as well as the Burabai resort zone in the Akmolinsk region.

As you well know, the strengthening of the business and investment climate in the country is a matter of special concern for me.

Kazakhstan has been successfully implementing the "Business Road Map — 2020".

Most people in Kazakhstan have already experienced the benefits of this programme.

I instruct the Government to make amendments to the programme that would reflect additional measures to support aspiring young businesspeople in introducing innovations into the market.

Today, we need to continue our work to decriminalize economic, financial and tax offences.

The Customs and Tax Committees, as well as the Financial Police, must be consistent in their actions, in the application of legislation and in double taxation.

Protection of and support for domestic and foreign investors, the predictability of legislation and transparency should be the fundamentals of the business climate in Kazakhstan.

I urge our Government officials to support investors without putting obstacles in their way.

We must strengthen the mechanisms to enable us to conduct regular consultations with domestic and foreign investors while developing draft regulatory legal acts.

We need to establish national contact centres for the development and implementation of strategies to encourage enterprises to abide by the principles of domestic business.

In 2012, Kazakhstan will complete the negotiations on its accession to the World Trade Organization.

This will substantially increase the attractiveness of our economy in terms of investment.

Tenth: the development of agriculture

The agricultural sector of Kazakhstan has large export capabilities and great potential to introduce new innovations.

The demand for food will increase in the world every year, and we should not miss such an opportunity.

The Government provides great support to the agricultural sector.

We need to develop and introduce a new Government system of guaranteeing and insuring loans to diminish the risks for private investors in agricultural production.

We need to find alternative ways to enhance the access of farmers to financing.

I instruct the Government to develop and introduce the mechanisms of governmental support for retail business without brokers.

The Government needs to organize the crop industry in a structured fashion, as well as to create a single grain holding entity.

It is necessary to boost the implementation of our project aimed at developing the export potential of meat production.

I instruct the Government to ensure the elaboration of appropriate programmes for the development of cattle breeding, including sheep raising, fodder production and distant-pasture cattle rearing.

Today, it is important for every nation around the world to find answers to huge global and domestic challenges.

The accomplishment of the tasks set out under these 10 areas of social and economic modernization will enable us to strengthen our economy, stabilize our society and improve the welfare of our people.

At the same time, Kazakhstan, as a worthy participant in world politics, will continue to actively participate in finding ways to strengthen peace and security.

We have already launched initiatives on nuclear security and the adoption of a universal declaration on a nuclear-weapon-free world.

This March, at the Nuclear Security Summit in Seoul, they will be specified and updated.

Of significant importance will be this year's Astana Economic Forum, where, I hope, our idea of a "G-Global" initiative on overcoming the global crisis will be discussed.

Also this year, Astana will host the Fourth Congress of Leaders of World and Traditional Religions, which has become an important platform for international interfaith dialogue.

We must make every effort to implement the global energy-ecological strategy initiated by Kazakhstan.

We will continue to implement the Astana initiatives under the "Green Bridge" initiative, aimed at the transfer of "green" technologies.

Kazakhstan's proposals on external policy have received support in the international community. They reflect the essence of our foreign policy strategy for the next decades.

We will continue to carry out our balanced foreign policy, interacting not only with the West, but also with the Asian countries.

This year marks the twentieth anniversary of my initiative to convene the Conference on Interaction and Confidence-building Measures in Asia.

This year, we must successfully achieve the chairmanships of the Organization of Islamic Cooperation and the Collective Security Treaty Organization.

In 2012, Astana is the cultural capital of the Commonwealth of Independent States and the Turkic world.

It is necessary to worthily carry out these activities.

We are responding to the global challenges of the twenty-first century by deepening Eurasian integration.

Along with Russia and Belarus, we have formed a Common Economic Space and are heading towards the creation of a Eurasian Economic Union.

This is an important factor in consolidating overall regional stability and improving the competitiveness of our economies.

We are ready to support the aspirations of other members of the Commonwealth of Independent States to join in the process of Eurasian integration.

Social modernization is the main task of the new Parliament and Government, and of all the bodies operating in Kazakhstan's society, including parties, non-governmental organizations, creative and professional associations, the media and all the patriots of our country.

Moreover, I have tried to take into account the constructive suggestions of all of the parties that participated in the latest election for the Majilis.

We must unite all together for the benefit of the motherland.

We have much work to do.

I urge all the people of Kazakhstan to step up to the challenge and play an active role in tackling these tasks!

There is a large amount of work to do, both for ordinary people and for the Government, the Parliament, and the State as a whole, which will be challenging and difficult yet interesting for all. Without setting such high goals, we cannot

develop. We have always done what we said we would do. We have implemented all of our plans.

Now we have a great deal of work ahead of us. Such is the world, such is the situation. Such is the current challenge.

Let us call upon all the people of Kazakhstan and mobilize ourselves in order to meet these daunting tasks, which will improve the lives of all the people of Kazakhstan!

Our country has entered a new stage of development.

We are in the process of creating a competitive country with great potential and a strong economy.

We have already achieved much success. We recalled it on our twentieth anniversary.

Therefore, we are capable of achieving our goal.

We know the ways to reach it.

The State has all the resources necessary for this.

I believe that our task is clear and that our direction is right.

Kazakhstan's unity and stability are the most important things for us on this journey.

Our wise people have a saying: "Well-being begins with unity."

Therefore, may our independence remain stable and our unity strong, brothers!

I wish you all great success at this glorious stage!